

## **REMARKS**

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This reply is being entered in response to the Office Action of November 29, 2004. In this Office Action, the Examiner made the following objections and rejections:

- 5        1. The Examiner rejected claims 1, 2, and 4-13 were rejected as allegedly obvious.
2. The Examiner has substantially allowed claims 3 and 14-20, but has issued a double patenting rejection.

The applicants have enclosed a Terminal Disclaimer which obviates the 10 double patenting rejection. Claims 3 and 14-20 are now in condition for allowance. Additionally, the claims 1-2 and 4-13 have been amended so as to clearly distinguish from the prior art of record. Reconsideration is respectfully requested.

- 15      **1. The Examiner rejected claims 1, 2, and 4-13 were rejected as allegedly obvious.**
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The Examiner has rejected claims 1, 2, and 4-13 as allegedly obvious in view of USP 6,225,565 to Prysner in further view of USP 5,927,621 to Ziolo, stating:

- 20        Prysner discloses a conductor assembly comprising a first flexible conductor (Figure 2-5) and a first layer of magnetic material disposed around the conductor. Prysner does not disclose the magnetic material being a nonmagnetic material having a tensile modulus of elasticity of at least about  $15 \times 10^6$  pounds per square inch, an average particle size of less than 100 nanometers, a saturation magnetization of from about 200 to about 26,000 Gauss, and a thickness of less than about 2 microns. Ziolo et al. discloses 25      nanomagnetic material having an average particle size of less than 100 nanometers and a saturation 30

magnetization of from about 200 to about 26,000 Gauss. It would have been obvious to one skilled in the art to use the nanomagnetic material as taught by Ziolo et al. for the magnetic material of Prysner since the material taught by Ziolo et al. has an improved flexibility.

5 Applicants would like to note for the record that, in order for an obviousness rejection to be tenable, the Examiner must show a suggestion or motivation to modify the cited reference so as to produce the invention found in  
10 the applicants' claims. Additionally, when the references are combined, they must yield all of the limitations found in the applicants' claims. Reference may be had to the Manual of Patent Examining Procedure:

MPEP § 2143 states "To establish a *prima facie* case of obviousness, three basic criteria must be met.

15 First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior  
20 art reference (or references when combined) must teach or suggest all the claim limitations). The teachings or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in the applicant's disclosure." *In re Vaeck*, 947, F.2d 488, 20 USPQ2d 1438 (Fed. Circ. 1991).

25 MPEP § 2143.01 states "The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the  
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combination." *In re Mills*, 916, F.2d 680, 16 USPQ2d 1430 (Fed. Cir. 1990)

While the applicants do not necessarily agree that the obviousness rejection is proper, claim 1 has been amended to recite at least one limitation that is not found in the references cited by the Examiner. It is respectfully submitted that the Ziolo reference fails to teach or suggest all of the claimed limitations, as required by MPEP § 2143. For example, Ziolo is silent with regard to the saturation magnetization of his material. Ziolo does, however, reference the saturation magnetization of prior art materials beginning at column 2, line 66, where he states "Magnetic fluids are commercially available in a range of liquid carriers and display a saturation magnetization as high as about 1,000 gauss." The Ziolo reference contains no further teachings or suggestions concerning the saturation magnetization. As such, there is clearly no suggestion or motivation to modify the Ziolo material so as to produce the material claimed by the applicant.

Applicants' amended claims recite a saturation magnetization of at least about 20,000. Grounds for this amendment may be found throughout the specification. Reference may be had, for example, to page 11 beginning at line 19. The claimed range is clearly outside that taught or suggested by Ziolo. It is respectfully submitted that the Examiner's rejection to claim 1 has been obviated and claim 1 is now in condition for allowance. As claim 2 depends from claim 1, claims 2 is likewise in condition for allowance.

**2. The Examiner has substantially allowed claims 3 and 14-20, but has issued a double patenting rejection.**

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The Examiner has issued a double patenting rejecting of claim 3, alleging:

Claim 3 is rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claim 1 of U.S. Patent No. 6,506,972, over claim 1 of U.S. Patent No. 6,673,999, and over claim 1 of U.S. Patent No. 6765,144. Although the conflicting claims are not identical, they

are not patentably distinct from each other because the current claim is either an obvious broadening of the scope of, or an obvious variant of the patented claims.

5       The Examiner has also issued a double patenting rejection of claims 14-20, stating:

Claims 14-20 are rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claims 27, 36, 37, 41, 43, 10 and 47 of U.S. Patent No. 6,765,144. Although the conflicting claims are not identical, they are not patentably distinct from each other because the current claims are either an obvious broadening of the scope of, or an obvious variant of the patented claims.

15       While the applicants do not necessarily agree that a double patenting rejection is proper, applicants have enclosed herewith a Terminal Disclaimer which obviates both of the above rejections. As stated by the Examiner

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent is shown to be commonly owned with this application. See 37 CFR 1.130(b).

20       It is respectfully submitted that the aforementioned Terminal Disclaimers have obviated the Examiner's double patenting rejections. Claims 3 and 14-20 are clearly in condition for allowance. In addition, claims 4, 5, 7, and 10 have been amended so as to depend from claim 3. Clearly, this amendment has resulted in claims 3-20 being placed in condition for allowance. Reconsideration 25 is respectfully requested.

## **CONCLUSION**

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Claim 1 has been amended so as to clearly distinguish from the prior art.  
A Terminal Disclaimer has been filed so as to place the remaining claims in condition for allowance. Applicants respectfully request reconsideration and that 5 a timely Notice of Allowance be issued in this case. If, for any reason, the Patent Examiner believes that a telephone conference with applicants' agent might in any way facilitate the prosecution of this case, the Examiner is respectfully requested to call such agent.

To the extend necessary, please charge any shortage in fees due in 10 connection with the filing of this paper, including extension of time fees, to Deposit Account 50-2753 and credit any excess fees to such deposit account. If necessary, a petition for an extension of time under 37 C.F.R. 1.136 is hereby made.

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